

CITY HALL  
LOS ANGELES, CALIFORNIA 90012

Councilmember Bill Rosendahl  
Eleventh District  
Room 415, City Hall  
200 North Spring Street  
Los Angeles, CA 90012

June 17, 2011

Dear Councilmember Rosendahl:

We are in receipt of your letters dated March 3, March 8, and March 17, 2011 which posed a variety of questions related to the proposal from the Anschutz Entertainment Group (AEG) to build a National Football League (NFL) stadium (the "Event Center") on the current site of the Los Angeles Convention Center (LACC) West Hall. The proposal also calls for the replacement of the LACC West Hall with a new hall to be built over Pico Boulevard (New Hall).

It is important to note the context in which the City's negotiating team is viewing the proposal. As we have stated, and as was expressed by the Ad Hoc Committee on the Proposed Downtown Stadium and Event Center (Ad Hoc Committee) action establishing the negotiating principles, attracting an NFL team and building a stadium is not the City's ultimate goal. The AEG proposal may provide the City with an opportunity to leverage significant private funding and generate net new General Fund tax revenue to refurbish the LACC and provide additional exhibit and meeting space. The public owns the LACC and the City is ultimately responsible for its success. In order to be competitive, the City must face the reality that the existing LACC design is inefficient and does not compare favorably to better designed competitors. Updating and refurbishment of existing facilities is required and additional exhibit space is needed in order to compete for the largest and most lucrative conventions. Whether or not a transaction moves forward with AEG and the NFL will depend on the outcome of the negotiations on a number of very key points, and whether the City Council decides as a matter of policy that the transaction will protect the taxpayers and accomplish the City's goals.

The information below is organized by the dates of your letters and addresses each question separately. Your questions are reprinted verbatim and are in bold. You will note that in several cases we are unable to answer the questions because they are issues that must be resolved through the negotiations. All of the issues you raise and many others will be addressed in any report sent forward to the Council at the conclusion of the negotiations.

**Letter Dated March 3, 2011**

- 1. Is the proposal to construct enough convention center space to replace the missing West Hall space?**

Yes

- 2. It appears stadium development would limit future expansion of the Convention Center beyond its current size (about 770,000 square feet). Weren't there previous plans that required the Convention Center to be expanded to one million square feet in order to be more competitive with the top tier convention cities such as Chicago and Las Vegas?**

We are not aware of previous plans, per se, which required the LACC to expand to one million square feet. When the Staples Center transaction was negotiated, the City recognized that it had to preserve its options to expand the LACC and did not want to be boxed in by the Staples Center development or the anticipated LA LIVE/Headquarters Hotel project. Some basic schematic drawings were prepared to identify potential expansion alternatives, but the development of any formal plans to expand the LACC would have been futile given the lack of hotel space in close proximity to the LACC, the current and projected performance of the LACC at the time given competing facilities and the costs associated with an expansion. To protect its interests, the City required AEG to include in any development plans an LACC expansion north from the West Hall to provide up to a total of 1 million square feet of exhibit space. The City would have to fund the expansion and negotiate a purchase of the air rights from AEG. The City's right to expand on AEG property expires on October 21, 2021.

In order to be competitive and attract the largest conventions, the LACC would need a total of approximately one million square feet of exhibit space. The AEG proposal states that the Event Center will have a retractable roof and be designed in a manner to provide viable exhibit and meeting space for use by the LACC, bringing the total space to over one million square feet. Whether or not the proposal meets that requirement will be a subject of review by the City's consultants, LACC and LA INC and will be addressed through the negotiations.

- 3. AEG says that the floor of the football stadium could be covered and, with a connection, provide an additional 80,000 square feet of space for major conventions. In terms of attracting tourism, how does this configuration compare with convention centers where all the space is within the convention center?**

In addition to our response to #2 above, we would add that the AEG proposal seeks to consolidate the current 750,000 square feet of exhibit space into immediately adjacent halls which would correct an often-cited deficiency in the current LACC design. The additional exhibit and meeting space provided by the Event Center would be in the same location as the current West Hall. Pedestrian flows and access between the new South Hall/New Hall complex and the Event Center would be significantly better than the current access between the South and West Halls. Accordingly, although the overall footprint of total exhibit space available to the

LACC would remain roughly the same, the consolidation of the vast majority of the exhibit space and improved access to the remainder will enable the LACC to better compete for the largest conventions.

The City's consultants, the LACC and LA INC will analyze whether the ultimate design meets the stated goals of the proposal and how competitive the newly configured LACC will be. We will report the results of their analysis at the conclusion of the negotiations.

4. **How realistic is it to assume that major events comfortable in locations providing them with one million square feet in a single building could be convinced to relocate to Los Angeles where part of their event would require walking through a connector of some sort and on to the floor of a football stadium?**

The City's consultants, the LACC and LA INC will analyze whether the ultimate design meets the stated goals of the proposal and how competitive the newly configured LACC will be. We will report the results of their analysis at the conclusion of the negotiations.

5. **Can anyone name an event or two that needs to have a football stadium connected to a convention center in order to make their event work?**

The City's consultants will provide a comparative analysis of the newly configured LACC with competing convention centers. We will report the results of their analysis at the conclusion of the negotiations.

6. **Considering construction dust, noise, equipment, etc., how realistic is it that the replacement space for the West Hall could be built without causing disruption to the events we already have booked?**

Coordination with the LACC and any impacts on LACC operations during the construction are part of the ongoing negotiations with AEG and will be reported on at the conclusion of the negotiations.

7. **Since events are planned years in advance, has anyone contacted those who have contracts with the Convention Center to determine how they feel about possibly of having this kind of construction going on during their event?**

The LACC and LA INC are in contact with planned and potential exhibitors to assess their concerns relative to construction activity should the transaction move forward. Mitigating negative impacts, if any, on the LACC from the construction activity will be included in the negotiations.

8. **What are the chances that some clients who are hooked into the Convention Center either demand a discount, or go somewhere else and may never come back?**

Coordination with the LACC and any impacts on LACC operations during the

construction will be reported on at the conclusion of the negotiations. Potential impacts on revenues and future bookings, including, if applicable, loss of current clients will be reported on at the conclusion of the negotiations.

**9. In the best and worst case scenarios, how much revenue could the Convention Center lose during and after construction, and who would make up the losses?**

Potential financial impacts on LACC revenues and options to mitigate those impacts are part of the ongoing negotiations with AEG and will be reported on at the conclusion of the negotiations.

**10. If it's valid to use economic multipliers to measure the economic benefits of these events, shouldn't those same multipliers be used to calculate the losses?**

On past transactions the City has not used "economic multipliers" as a core decision point in approving transactions and measuring the extent of the City's participation. The City's policy provides that no more than 50% of net new direct tax revenue may be used for reinvestment in a project. The Ad Hoc Committee reiterated this policy as one of the City's negotiating principles on the AEG proposal. As a result of the City policy, the City realizes the full benefit of any economic multipliers resulting from a project. In some cases, economic multipliers may be estimated for informational purposes only but the direct benefits themselves must be sufficient to justify participating in the project.

As to whether economic multipliers should be used to calculate losses, another core requirement that the City has applied to past projects is that the existing General Fund be fully protected. The Ad Hoc Committee also reiterated this policy as a negotiating principle. Accordingly, we would not recommend a transaction in which the City might ultimately incur losses, so calculating an economic multiplier to be applied to losses is not applicable.

**11. How long will it take to build both replacement space and the stadium?**

The New Hall and Event Center construction schedules will be determined during the course of the negotiations.

**12. When the City Council agreed to sell bonds to expand the Convention Center 18 years ago, what promises or projections were made about how they would be paid off? The economic benefit that would come from the project? Were those expectations met, or did they turn out to be overly optimistic?**

The City issued debt in 1985 to pay for the expansion of the Convention Center. Over the years the City has incrementally increased TOT, with the support of the hotel community, to finance the construction of the facility. Currently, a total of 3.5% of taxable hotel sales is allocated to offset debt service costs. At the time of the expansion, it was projected that the TOT allocation and Convention Center operating revenues together would be sufficient to cover both operating and debt service expenses. When the debt service component was removed

from the Convention Center Revenue Fund and placed into the Capital Finance Administration Fund, the focus of using Convention Center revenues shifted to offsetting operating expenses only. Meanwhile, the stock market crashed and the economy entered into a recession. The annual debt service payment increased and TOT revenues dropped. The TOT allocation for 2010-11 amounts to \$34.2 million whereas the annual debt service payment on the Convention Center, not including the Staples Arena, is \$48 million. As a result the General Fund subsidy has increased to offset the gap.

The Convention Center facility is a regional asset and was built to generate an economic stimulus. By booking citywide events that target overnight visitors for the purposes of generating room nights, the facility creates an overall economic benefit to the City. Although citywide events are a priority, the Department's focus has at times shifted towards accommodating local consumer events and trade shows, which have a greater impact on the Department's bottom line but little impact on hotel sales. The struggle continues to be identifying the balance between local shows that attract day visitors and enhance operating revenues versus citywide events that generate visitor and tourism spending and contribute to tax revenues.

- 13. Los Angeles was trying to convince Comic Con to move here from San Diego, but it decided to stay in San Diego. Los Angeles seems like a more logical location for the event. What happened? Did rumors of the construction activity scare them off?**

According to LA INC, San Diego may be a more logical location for Comic Con. It is an event created by San Diego business interests and talks about moving the event to Los Angeles may have been a negotiating tactic to ensure a good proposal from the San Diego Convention Center. We received no feedback that rumors of construction activity at the LACC played a role in their decision to stay in San Diego.

The above being said, hosting Comic Con would significantly benefit the City and we are more likely to be successful in attracting the event to the LACC with an improved design and more available meeting and event space.

- 14. The L.A. Auto Show occupies the entire Convention Center nearly the whole month of November which is football season. How will the two co-exist?**

As discussed above, the current LACC exhibition space will be consolidated and will be more efficient for the auto show and other exhibitors. The auto show may also benefit from the additional exhibit space in the Event Center. Access to the Event Center for LACC events is a subject of the negotiations and will be reported on when negotiations are complete.

- 15. Conventions set-up and tear-down during the weekends. When a multi-day convention is being held, won't there be conflicts with the football games and thereby limit the number of major conventions that we could attract?**

Operational and coordination issues and procedures are the subject of the negotiations and will be reported on when the negotiations are completed.

**Letter Dated March 8, 2011**

- 1. The General Fund is paying off the \$445 million in existing Convention Center bonds at the rate of \$48 million per year. Is anything being talked about to payoff or pay down that debt? Wouldn't the bond holders have to approve a paying off of those bonds? How would that be done?**

There are currently \$417 million in outstanding LACC bonds. Periodically, the City reviews existing debt for refinancing purposes. As discussed above, the TOT was increased to help cover the debt service. Paying off bonds is also called a defeasance. Bond holders would not be impacted by a defeasance, so no consent is required. There are federal tax and state bond laws which govern how a defeasance is accomplished. In essence, it involves setting aside money in a trust fund which is invested in qualified securities. Those funds are then used to pay the bond holders until the bonds are paid off. Other than a small portion of the outstanding bonds that relate to the West Hall, which will have to be defeased if the AEG proposal is approved, there are no discussions of defeasing the remaining bonds.

- 2. Reports are that the city would have to sell \$350 million in new bonds to replace the lost West Hall space. That would mean \$29 million/year in new debt payments for the next 30 years. What's the source of revenue for that likely to be, and how was the \$350 million figure arrived at?**

The \$350 million in new bonds which has been discussed is a preliminary estimate. The actual amount that would be issued will be determined through the negotiation process and based on actual project costs. Annual debt service on \$350 million is estimated to be approximately \$25 million. The City's consultants are evaluating various debt structures. The Ad Hoc Committee established as a negotiating principle that any costs associated with the bonds be fully offset by revenues from private sources and no more than 50% of the actual net new direct General Fund tax revenue generated by the project. The financial terms to ensure full coverage of the debt service is a key subject of the negotiations and will be reported to the Council at the conclusion of the negotiations.

- 3. What will end up being the total bill when the \$445 million in bonds are paid off?**

The total cost for Convention Center debt, including payments on principal (\$416,985,000) and interest (\$119,769,725) amounts to \$536,754,725. The Los Angeles Convention and Exhibition Center Authority also issued debt for the Staples Center project to acquire property for parking north of the arena. The total payments on principal (\$53,454,309) and interest (\$19,474,309) will amount to \$72,928,618. All of the costs of the Staples Center debt are covered by admissions fees and incremental parking revenue from Staples Center event.

- 4. Given the increases since then in construction costs and the costs of selling bonds in a struggling municipal bond market, what can we expect the total bill and annual payments to be on the sale of \$350 million in new bonds?**

The condition of the municipal bond market can change over a relatively short period of time. The cost assumptions used in the negotiations will be based on current market conditions, but should the transaction move forward, bonds would not be issued until mid 2012. The condition of the bond market at that time will be assessed and any agreement between the City and AEG will be based on actual costs of the transaction. Updated cost projections will be reported to the Council when it considers the issuance of the bonds.

- 5. It is correct to assume the ticket taxes from eight full capacity football games a year would generate only about \$9 million per year?**

We are unable to answer this question until we have input from the City's financial advisors. Assessing the projected financial performance of the Event Center will be a primary duty of the financial advisors. This question will be addressed when negotiations are completed and a report is sent forward to the Council. It should be noted that the City will not be imposing a ticket "tax." The AEG proposal contemplates that the developer will institute an admissions fee as one mechanism to satisfy their obligation to the City.

- 6. Does AEG expect the city to attempt to sell the bonds before a team and enough events have been secured to produce adequate ticket tax revenue?**

No bonds will be issued until a team lease is finalized and the City has independent evidence that there will be sufficient events and net new revenues generated to support the bonds.

- 7. Since taxes on tickets would normally flow into the General Fund to help pay for services such as police officers, wouldn't the use of ticket taxes to pay off the bonds be defined as a "public subsidy?"**

Admissions fees or charges are not imposed by the City and would not normally flow into the General Fund. Accordingly, using an admissions fee as a source of funding to offset the debt service costs would not be a public subsidy, it would be using private funds to help finance a public project.

- 8. Were the developers of the Staples Center allowed to use ticket taxes to help repay the bonds that were sold to buy the land they wanted?**

Yes, but as discussed above, the City did not impose a ticket tax. AEG used the admissions fee to cover a portion of their obligation to the City.

- 9. When the developers of the Staples Center offered a guaranty that those bonds would be paid off, the City Council was ready to accept their offer until an outside contracts attorney determined that the guaranty was far from iron-clad, so he rewrote a new one. I haven't heard AEG being specific about its guaranty, so shouldn't the city detail what it feels constitutes an iron-clad guaranty? Who will**

**the city's "guaranty expert" be? In the Staples deal it was the City Attorney until an outside expert was hired.**

The assertions in this question are incorrect. The City negotiating team did not send forward to the Council a proposal on the Staples Center without a Letter of Credit (LOC) as the guarantee mechanism. The City negotiating team proposed this early on. The developers objected because an LOC is very expensive and they proposed alternatives to the City team. The City team evaluated those alternatives but did not believe that they adequately protected the City. Accordingly, when the matter went forward to the Council for consideration, an LOC was included. There was outside counsel on the transaction, but something less than an LOC was never under consideration by the Council and at no point did an "outside contracts attorney" determine that the guarantee was "far from iron-clad."

The nature of the guarantee relative to the AEG proposal will be one of the most significant issues in the negotiations. The City's financial advisors and attorneys will provide input on guarantee options and implications and the proposed structure of the guarantee will be sent forward to the Council for consideration when the negotiations are concluded.

- 10. The plan appears to include demolishing the 4,700 parking spots that are under the West Hall. Is it fair to estimate that the replacement cost would be about \$25,000 per spot, and that AEG has said it would build one new parking structure and renovate another parking one? What would be the total cost of that, and who would pay for it? Would it be taxes that would normally go to the General Fund?**

The parking spots under the West Hall would be removed, but the proposal calls for replacing that parking and adding 1,400 net new parking spaces. The parking would be owned by the City. The total cost of the replacement and new parking has yet to be determined but is included in the \$350 million preliminary estimate of the total project costs. As discussed above, debt service on the \$350 million in bonds would be paid from the General Fund, but the transaction will only move forward if private revenue sources and no more than 50% of the net new General Fund tax revenues directly related to the project are sufficient to offset the costs. The extent to which incremental parking revenues and net new parking taxes would be used to support the bonds is subject to negotiation. However, since these would all be new revenues to the City, those taxes would not normally go to the General Fund absent the project and the increased number of parking spaces.

- 11. If taxes generated by the stadium didn't go to the General Fund, but instead were used to payoff the bonds, wouldn't that significantly diminish the proposed financial benefits of the project to the city budget for a long time?**

The intent of this question is somewhat unclear, but as we understand it, the answer is no. The taxes from the Event Center will flow to the General Fund. The new bonds issued for the Event Center will be an obligation of the General Fund. However, the transaction will only move forward if no more than 50% of the net new tax revenues generated by the Event Center plus private revenue sources and the developer guarantee fully offset the costs. Since the



West Hall is currently public property, there is little tax revenue being generated, so absent the Event Center, there will be no net new tax revenue. The financial benefits to the City from the transaction will come from increased bookings at the LACC and the related tax revenues Citywide, and no less than 50% of the net new General Fund tax revenue directly related to the development. Additionally, as discussed above, the “multiplier effect” related to jobs creation, increased property values, additional off-site sales taxes resulting from increased employment, etc., will be captured in its entirety by the City.

- 12. Has AEG proposed that the stadium will pay the existing \$48 million of annual debt service on the existing convention center bonds AND the \$38 million of new debt service?**

No.

**Letter Dated March 17, 2011**

- 1. How it is possible to contend that no public money will be used while at the same time ask the City to sell bonds? Wouldn't it be more accurate to say that it will require public money to be used, and that the risk to the taxpayers hasn't yet been calculated?**

The AEG proposal states that no public money will be used to build the Event Center. The Ad Hoc Committee adopted that requirement as a negotiating principle. However, neither AEG nor our offices have asserted that there would be no public money used to build the New Hall. As stated previously, the transaction will only move forward if the public money reinvested in the public project amount to no more than 50% of the net new direct General Fund tax revenue generated by the project. Additionally, the Ad Hoc Committee stated as a negotiating principle that there must be “substantial” private funding to offset the debt service on the bonds. Finally, the Ad Hoc Committee established, as a negotiating principle, that there shall be no risk to the City’s current General Fund base. Accordingly, while there would be net new public money invested in the New Hall, the Ad Hoc Committee is also requiring substantial private funding for the public project.

The financial terms of the proposal are a subject of the negotiations. Details relative to the proposed financing and an assessment of the risk, if any, to taxpayers will be reported to the Council at the conclusion of the negotiations.

- 2. Why does the developer need the City to sell bonds? Why don't they borrow the money themselves to replace the lost convention space?**

The cost of capital to the developer is much higher than the City’s cost of capital. Furthermore, the New Hall will be a publicly owned part of the LACC entirely within the control of the City and is, therefore, an appropriate use of tax-exempt bonds. It is in the City’s interests to make the financing for the New Hall as economical as possible.

3. **Many observers have challenged the prediction that the stadium project would produce 18,000 jobs (8,000 of them permanent). Some independent economic studies have concluded that the economic impact of a football stadium on the local area is minimal. Is there a realistic and independent projection available?**

The City's financial advisors will perform an independent analysis of the jobs and economic impacts of the proposal and their results will be reported to the Council at the conclusion of the negotiations.

4. **Has the CRA project area in this part of town expired so that tax increment funds could not be spent on the stadium project? Would it still be possible to use CRA money for infrastructure improvements?**

The proposed site for the Event Center is part of the old CRA Central Business District redevelopment area which has expired, and all funds being generated within the area are being used to support existing obligations. That being said, the financial details of the proposal and funding options, including potential CRA involvement, are part of the ongoing negotiations and will be reported on when the negotiations are concluded.

5. **Why not sell bonds to expand the size of the Convention Center and renovate other parts in order to make it competitive? In terms of creating jobs, boosting the economy, and increasing tourism, how does that compare to the AEG plan?**

In order to be competitive, it is clear that the LACC must be re-designed to consolidate the main exhibit halls in adjacent locations and add exhibit space to provide a total of approximately 1 million square feet. It is also clear that if the City retains the West Hall it must make substantial capital investments in it, estimated to cost a minimum of \$50 million.

The City could improve the LACC on its own without the AEG proposal by selling bonds. The City could simply refurbish the West Hall, build the New Hall and refurbish the West Hall, exercise our option to expand the West Hall to the north using AEG air rights, or a combination of the options. The cost of the various options would vary widely, from a minimum of \$50 million for simple refurbishment of the West Hall, to well in excess of \$350 million if we were to build the New Hall and replace and expand the West Hall to the north.

The difference with, and main benefit of, the AEG proposal is that it may provide the opportunity to leverage significant private funds to finance the LACC improvements, ensure that any public funds that are reinvested in the project are limited to a portion of the net new taxes generated by the development, and establish a third-party guarantee to ensure that the City's General Fund base is protected. Finally, as stated above, the short- and long-term jobs impacts of the proposal are being evaluated.

If the City were to proceed with the improvements on its own, the City would be taking all of the risks associated with the transaction and would not be able to leverage private

revenues associated with the privately owned project to offset the costs of the public project. The expansion and refurbishment of the LACC would be expected to generate increased convention activity with a commensurate increase in the TOT and some other General Fund taxes. However, it is not realistic to assume that the increased activity from more conventions will, by itself, generate sufficient General Fund revenues to support the bonds.

Notwithstanding the above, it is imperative that whatever agreements are reached on the AEG proposal be in the public interest. Should the City and the developer be unable to reach agreement on a transaction acceptable to the parties, the City must evaluate how it intends to remain competitive in the convention business and develop options to make the necessary improvements to the LACC. These options may include simply financing the improvements ourselves and recognizing that new revenue sources will not fully cover the costs or exploring other public/private options.

**6. Does the new Proposition 26 require that the proposed ticket tax be approved by voters?**

If the City were to impose a ticket tax it is likely that it would require voter approval. However, as discussed above, the City is not contemplating going to the voters for approval of a ticket tax. The proposal contemplates that AEG will impose an admissions fee. The potential funding sources for the transaction are being analyzed and are a subject of the negotiations. The results of the analysis will be presented to the Council when negotiations are completed. To the extent that there are legal implications of the potential funding sources, those will be presented to the Council in closed session.

**7. Will the developer agree to never sell/refinance the project until the bonds are paid off? Will the City make that a condition of the deal?**

These issues are key to the negotiations and will be addressed in any final transaction brought forward to the Council.

**8. The Raiders were in Los Angeles for only 12 years. It's rumored the Jacksonville Jaguars (a organization which began as an expansion team in 1995 and got a new stadium) might relocate to Los Angeles. Isn't there a risk that any team that begins playing here may not be around for the next 30 years?**

These issues are key to the negotiations and will be addressed in any final transaction brought forward to the Council.

**9. Do we have cost estimates for the following, and who is making those estimates:**

- a. The total and annual cost of our existing bonds for the LA Convention Center?**

The total and annual cost of existing bonds on the LACC are not estimates but actual obligations payable to bond holders. The amount in each year's payment is from the debt service schedule that is based on what bondholders wanted to buy at the time of the bond sale.

The 2011-12 debt service payment on LACC bonds is \$48,466,178, and \$3,853,500 for the Staples Center Arena for a total annual payment of \$52,319,678. By 2022-23 the City will have paid a total amount of \$536,754,725 for Convention Center and by 2023-24 a total of \$72,928,618 for the Staples Center Arena, in principal and interest. All debt service related to the Staples Center Arena is funded by admissions fees and incremental parking revenue from Staples Center events.

**b. The total and annual cost of the project to replace the West Hall.**

As explained above, the preliminary estimate of the total cost of the New Hall project and related parking is \$350 million. The Bureau of Engineering (BOE) as well as the City's financial advisors will independently analyze the total cost of the project. The amount of bonds that would be issued will be based on the actual cost of the project and will be addressed in the negotiation process.

**c. The cost of infrastructure improvements near and around the stadium.**

Infrastructure improvements related to the project will be identified in the EIR. The cost of those improvements will be determined by the appropriate agency depending on the nature of the improvements.

**d. The loss of Convention Center revenue during construction.**

Potential financial impacts on LACC revenues and options to mitigate those impacts will be analyzed by the LACC, LA INC and the City's financial advisors and will be reported on at the conclusion of the negotiations.

**10. If improvements to the infrastructure around the stadium are needed, who would pay for them?**

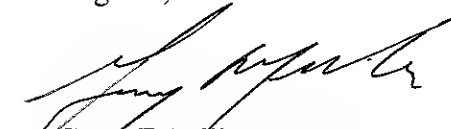
The answer to this question will depend on infrastructure mitigations identified in the EIR and whether either party desires infrastructure improvements beyond EIR mitigations. This issue will be a subject of the negotiations and will be reported on when the negotiations are concluded.

**11. Are there any improvements the developer is insisting upon or suggesting? What are they?**

We are not aware of any at this time, but if any are identified it would be an issue subject to negotiations.

We hope the above information is helpful and look forward to working with you and the Ad Hoc Committee in addressing all of the issues that must be resolved.

Regards,



Gerry F. Miller  
Chief Legislative Analyst



Miguel A. Santana  
City Administrative Officer

cc: Hon. Members of the Ad Hoc Committee on the Proposed Downtown Stadium and Event Center  
Hon. Eric Garcetti, Council President  
Hon. Bernard Parks, Chair, Budget and Finance Committee  
Jeff Carr, Chief of Staff, Office of the Mayor  
Austin Beutner, Office of the Mayor